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COUNTRY Ecuador

SUBJECT Manuel Arenas Goello and the PCE

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Guayaquil, Ecuador, Manuel Arenas Coello has gained a bad reputation among members of the Partido Comunista del Ecuador (PCE) in the coastal region as a result of his accusations at ainst Pedro Saad and other Party leaders.\* It is rumored throughout the Party in Guayaquil that Arenas had committed treason against the Party by having aligned himself after the mayoralty elections of 6 November with Dr. Rafael Mendoza Aviles, independent candidate for mayor of Guayaquil.

- 2. A popular story in Communist circles of Guayaquil is that a few days prior to the mayoralty elections of 6 November Ecuador Alarcon, a member of the Alianza Popular, proposed to Arenas that he swing his support to Mendoza and by aligning themselves with the Mendoza machine they could "fcather their nests". The story continues that Mendoza would have been willing to have given Arenas a high municipality office had he won the elections. Alarcon, along with Luis Arias, Santiago Guadros, and Elias Candel, were among the Arenas supporters who resigned from the Alianza at the same time that Arenas gave up the presidency.
- 3. Arenas did not cease his electoral campaigning during the period 6 November 11 December, but was constantly seen touring various neighborhoods of Guayaquil accompanied by Mendoza supporters. Source states that it has been rumored that Arenas has made preparations to resign from the PCE and that his support henceforth would be in favor of Mendoza.
- 4. A long time resident of Guayaquil with a large circle of acquaintances stated that Carlos Guevara Morenc. Mendoza's campaign manager and a rabid anti-Communist, has arrived at an agreement with Arenas whereby the latter would support the Mendoza machine. This same source reported that in a conversation with Enrique Medina Salazar, PCE member and errand boy for Pedro Saad, Medina stated that Arenas was really going to resign from the Party.

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5. An Ecuadoran with wide acquaintance in Guayaquil business circles stated on 30 November that Arenas was determined to resign from the Party and had promised Mendoze to swing his segment of the Communist vote to Mendoza in the re-election on 11 December. This observed that it was rather peculiar that Arenas should support the Mendoza machine after the insults hurled at him by Guevara Moreno during the campaign prior to 6 November. Source was certain that Arenas was supporting Mendoza as he had the opportunity to read a letter written by Arenas to a prominent woman Communist of Duran urging her to campaign in favor of Mendoza for the 11 December re-elections. On 5 December source reported that the PCE considers Arenas a traitor and will expel him from the Party if he does not resign.

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When it was first reported that Arenas had resigned from the Alianza Popular and that he was apparently dickering with Mendoza, it was believed that it might be a Communist attempt at undercover penetration of the Mendeza group. However, the evidence appears to be conclusive enough to disregard this supposition and to believe that Arenas has decided to switch over primarily because of his disagreement with Saad and secondarily for personal gain.